proposal for acquisition of 43 aircraft comprising A-319, A-320 and A-321 from Airbus Industries during the period 2003-04 to 2007-08 at a net cost of Rs. 10,089 crores. The Project Report has been submitted by Indian Airlines to the Government. Pre-PIB meetings were held on 25th April and 12th June, 2003 on the subject, wherein it was recommended that the proposal may be referred to PIB for consideration. No firm target date for completion of the acquisition process can be indicated at this stage, since the extant procedures for consideration of public investment proposals will have to be followed.

Air India also has plans to acquire new aircraft in order to phase out the older aircrafts, rationalize its fleet and expand capacity. No final proposal has been received from Air India for Government approval.

Study on traffic growth

875. DR. VIJAY MALLYA:
SHRI PRAFUL PATEL:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the total strength of aircrafts owned and operated by Indian Airlines at present;

(b) the number of aircrafts which have outlived their normal lives and require replacement;

(c) whether it is a fact that Government are considering a proposal for purchase of 43 aircrafts at a cost of Rs. 10,000 crores instead of obtained them on wet/dry lease;

(d) whether any study on traffic growth has been undertaken which would justify purchase of these aircrafts instead of taking them on wet/dry lease; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) Indian Airlines has a fleet of 47 owned aircraft.

(b) There is no prescribed upper age for commercial aircraft. However, the aircraft have a design economic life beyond which the operation becomes uneconomical due to the increasing maintenance cost.

(c) The project report of Indian Airlines for acquisition of 43 aircraft at the cost of Rs. 10,089 crores has since been received.

(d) and (e) The working group on Civil Aviation for the Tenth Five Year Plan has projected average annual growth rate in domestic passenger traffic to be on 5% and that in international passenger traffic to be of 6%.

The new aircraft are envisaged to replace the entire fleet of A-300 and B-737-200 in a phased manner by March, 2005 as well as to cater to the projected traffic growth during the five year period.

Commission to sales agents of Air India

†876. SHRIMATI PREMA CARIAPPA:
SHRI MOTI LAL VORA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Air India has suffered huge loss due to commission given arbitrarily to its sales agents by three senior officers of its London-based office;

(b) if so, the amount of loss suffered by Air India;

(c) whether it is also a fact that a penalty has been imposed on these officers after declaring them guilty by C.B.I.;

(d) if so, the amount of the penalty imposed and by when it will be recovered; and

(e) what are the recommendations of the Parliamentary Committee in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) and (b) CBI has investigated the issue of undue payment by Air India to its ex-General Sales Agent M/s Welcome Travels in London and has recommended recovery of an excess payment of UK Pound Sterling 268,888.01.

(c) and (d) Yes, Sir. Penalty of "Censure" has been imposed on one officer. The final retirement dues in respect of another Officer and medical and passage facilities in respect of third Officer have been withheld. AI has initiated legal action to recover the excess amount paid to the General Sales Agent.

†Original notice of the question was received in Hindi.